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FM AMCONSUL SAO PAULO
TO RUEHC/SECSTATE WASHDC IMMEDIATE 5566
INFO RUEHBR/AMEMBASSY BRASILIA 6641
RUEHRG/AMCONSUL RECIFE 3065
RUEHRI/AMCONSUL RIO DE JANEIRO 7341
RUEHAC/AMEMBASSY ASUNCION 2704
RUEHBU/AMEMBASSY BUENOS AIRES 2382
RUEHMN/AMEMBASSY MONTEVIDEO 2095
RUEHLP/AMEMBASSY LA PAZ 2948
RUEHSG/AMEMBASSY SANTIAGO 1820
RHEHNSC/NSC WASHDC
RUEAIIA/CIA WASHDC
RUMIAAA/USCINCSO MIAMI FL
RUEAWJC/DEPT OF JUSTICE WASHDC
RUEABND/DRUG ENFORCEMENT ADMIN HQ WASHDC

UNCLAS SECTION 01 OF 02 SAO PAULO 000869

SIPDIS

DEPARTMENT FOR DS/IP/WHA, DS/ICI/PII, DS/DSS/OSAC, WHA/BSC
NSC FOR FEARS
DEA FOR OEL/DESANTIS AND NIRL/LEHRER
DEPT ALSO FOR WHA/PDA, DRL/PHD, INL, DS/IP/WHA, DS/DSS/ITA
BRASILIA FOR RSO AND LEGAT; RIO DE JANEIRO FOR RSO
SOUTHCOM ALSO FOR POLAD

SENSITIVE
SIPDIS

E.O. 12958: N/A
TAGS: [PGOV](#) [KCRM](#) [CASC](#) [ASEC](#) [SNAR](#) [SOCI](#) [BR](#)
SUBJECT: SAO PAULO FACES DAY 2 OF PRE-FATHER'S DAY JITTERS

REF: (A) SAO PAULO 865; (B) SAO PAULO 771; (C) SAO PAULO 573; (D)

SAO PAULO 742

SENSITIVE BUT UNCLASSIFIED - PLEASE PROTECT ACCORDINGLY.

11. (SBU) SUMMARY: The dawn of Tuesday, August 8, marked Day Two of the third wave of PCC violence in Sao Paulo State since May (ref A). Metropolitan Sao Paulo was spared from attacks overnight, but cities scattered throughout Sao Paulo state suffered from homemade bomb and Molotov cocktail attacks on municipal buildings, shots fired at police, and buses lit afire. Four suspects were killed among the various incidents. A grenade was found by city workers at the entrance to a tunnel of a major artery passing through the heart of Sao Paulo during rush hour, but this was detonated by the police bomb squad with no injury or damage. The official tally from two days of violence (August 7 and 8) topped 100 attacks against over 100 targets in more than 20 cities around Sao Paulo state. State government officials were quoted Tuesday afternoon as confirming that some 11,000 inmates will be released on furlough for Father's Day weekend. Post held an Emergency Action Committee (EAC) meeting on Tuesday morning to review the situation and our security posture (septel). END SUMMARY.

DAY TWO: PCC FOCUSES ON SAO PAULO STATE INTERIOR

12. (SBU) Elements of the organized crime gang First Capital Command (PCC) orchestrated a second round of assaults on government and private sector targets in the early morning of Tuesday, August 8, in what is being called the Third Wave of attacks since May (reftels). Tuesday's attacks took place almost exclusively outside of metropolitan Sao Paulo, in cities ranging from 60 to 300 miles from the state capital. Homemade bombs and Molotov cocktails were thrown at municipal buildings and shots were fired at police facilities. One church was lit afire, but it lies immediately adjacent to the mayor's office of the city, and the same group is suspected of starting the fire and throwing a bomb at the municipal

building. Both situations were quickly controlled by public safety officials. At least one bus and one bank outlet were also hit by incendiary devices. Four suspects were killed by police in the course of failed attacks within greater Sao Paulo. State officials registered 80 attacks against 100 targets in 18 cities on Monday, August 7, bringing the total number of attacks over two days to more than 100. (NOTE: We have information regarding an incident in recent days involving a Molotov cocktail and graffiti targeting a synagogue in the city of Campinas, 60 miles north of Sao Paulo. At this time that incident seems unrelated to the PCC-led attacks described herein and reftel. Likewise, we have no information at this time that the attack on the church described above was rooted in any anti-religious or ethnic motivation. END NOTE)

13. (SBU) While no attacks occurred within Sao Paulo proper overnight Tuesday, rush hour was disrupted when a grenade was found near the entrance to a tunnel along Avenida Nove de Julho, a major artery connecting various parts of the city. The tunnel is located in the heart of the city, near the location of the previous Consulate General building, and the edge of the neighborhood where nearly half of the Consulate's American staff and their families live. Early press reports indicate the grenade was of a type used exclusively in Brazil by the Brazilian Army. A police special tactics team detonated the device without injury or damage. Although the grenade was found with its pin still in place, early reports are calling it an attempt by criminals to blow up the tunnel, perhaps due to the device's placement near a fountain under repair, which stands at the entrance to the tunnel. This tunnel not only constitutes part of the busy Nove de Julho thoroughfare, but also crosses directly under the equally busy and important Avenida Paulista in the heart of Sao Paulo's financial district.

HOME FOR FATHER'S DAY, FROM PRISON

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14. (SBU) As reported yesterday (ref A), under Brazilian law, state authorities must temporarily release many inmates confined in minimum security facilities ("semi-aberto," or "semi-open") in conjunction with five holidays per year. Sao Paulo state officials confirmed to press on Tuesday afternoon that some 11,000 inmates are expected to be released for the coming weekend, during which Father's Day is celebrated in Brazil. It was the release of 12,000 inmates for Mother's Day in May that helped spread the violence that began in the state's most notorious prisons to the streets of Sao Paulo, culminating in 44 police officers and some 120 suspected PCC members killed during the course of seven nights of street battles (refs B and C). This occurred even though furlough can be denied to prisoners who have been listed as affiliated with the PCC by prison officials.

15. (SBU) Interestingly, during the Father's Day holiday of 2005, only 7.3 percent of the released inmates did not return to prison as required. However, given the massive prison population of Sao Paulo state, this percentage equated to 808 prisoners of the 11,087 released. 965 of 12,645 prisoners, or 7.6 percent, did not return after the Mother's Day holiday furlough in May 2006.

16. (SBU) Union representatives for the state's prison guards are warning members to stay away from public places this week, especially over the weekend. Prison guards are also being told to vary their routines to lessen their risk of being attacked by prisoners on furlough. In July, prison guards were the victims of reprisal killings at the hands of the PCC; five were killed and several more targeted while off-duty at their homes or nearby (ref D).

COMMENT: PREPARING FOR THE WEEKEND

17. (SBU) COMMENT: Tuesday's announcement by state government officials that the prisoner release will happen on Father's Day pursuant to law and custom may have been intended for two effects:

1) to prepare the public for the possibility of yet another wave of violence led by the PCC, and 2) to signal to the PCC that the furloughs will not be suspended, thus effectively negotiating an end to the attacks of Monday and Tuesday that many suspect were in reaction to rumors that the furloughs might be cancelled (ref A). Post held an EAC meeting Tuesday morning to review the situation and the CONGEN's security posture (septel). END COMMENT.

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